## Amendments to the Claims

This listing of calims will replace all prior versions, and listings, of claims in the application:

## **Listing of Claims:**

- 1. (Amended) A method of preparing a gene vector, said method comprising:
- a) transforming yeast cells with a RKO clone and a yeast targeting cassette (YTC), wherein said RKO clone comprises a genomic clone insert, a yeast replication element, a yeast selectable marker, a bacterial origin of replication, optionally a bacterial selectable marker, and optionally a mammalian negative selection marker, and wherein said YTC comprises a bacterial/mammalian positive selection marker flanked by recombinogenic arms, and said YTC does not include a yeast selectable marker;
- b) maintaining said yeast cells under conditions wherein said RKO clone and said YTC undergo homologous recombination via said genomic clone insert and said recombinogenic arms to produce a gene targeting vector;
- c) selecting transformed yeast cells by their expression of said yeast selectable marker on said gene targeting vector or on said RKO clone;
- d) isolating said gene targeting vector and said RKO clone from said selected yeast cells;
- e) transforming bacterial cells with said gene targeting vector and said RKO clone;
- f) selecting transformed bacterial cells that grow on selective media that is selective for bacterial cells expressing said bacterial/mammalian positive selection marker, thereby selecting for bacterial cells transformed with said gene targeting vector; and
  - g) isolating said gene targeting vector from said selected bacterial cells.
- 2. (Original) The method of claim 1 wherein said bacterial cells are Escherichia coli.

- 3. (Original) The method of claim 1 wherein said RKO clone is a cosmid and further comprises at least 1 Cos site.
- 4. (Original) The method of claim 1 wherein said RKO clone further comprises a multiple cloning site, and wherein said genomic clone insert is present within said multiple cloning site.
- 5. (Original) The method of claim 1 wherein said YTC further comprises loxP or FRT sites flanking said mammalian positive selection marker.
- 6. (Original) The method of claim 1 wherein said RKO clone comprises a mammalian negative selection marker.
- 7. (Original) The method of claim 1 wherein said YTC is generated by a PCR reaction using chimeric oligonucleotides bearing sequence identity to both the bacterial/mammalian positive selection marker and the GRI.
- 8. (Original) The method of claim 1 wherein said YTC comprises an internal ribosomal entry site (IRES) element that allows protein translation of said bacterial/mammalian positive selection marker in mammalian cells to occur from mRNA transcripts driven by a promoter in the GRI.
- 9. (Original) The method of claim 1 wherein said bacterial/mammalian positive selection marker lacks a polyadenylation site on the 3' end thereof.
- 10. (Withdrawn) A method of preparing gene targeted mammalian cells having a targeted gene mutation, said method comprising:
  - a) transforming mammalian cells with said gene targeting vector of claim 1;

- b) maintaining said mammalian cells under conditions wherein said gene targeting vector and the genome of said mammalian cells undergo homologous recombination to produce a gene targeted mammalian cell; and
- c) selecting gene targeted mammalian cells wherein homologous recombination has occurred by selecting gene targeted mammalian cells for their expression of said bacterial/mammalian positive selection marker, thereby obtaining gene targeted mammalian cells containing said targeted gene mutation.
- 11. (Withdrawn) The method of claim 10 wherein said mammalian cells are stem cells.
- 12. (Withdrawn) The method of claim 10 wherein said mammalian cells are embryonic stem cells.
- 13. (Withdrawn) The method of claim 10 wherein said RKO clone comprises a mammalian negative selection marker, and said gene targeted mammalian cells are selected for their expression of said bacterial/mammalian positive selection marker and by their non-expression of said mammalian negative selection marker.
- 14. (Withdrawn) A method of making gene targeted mice, said method comprising:
  - a) combining a gene targeted mouse cell according to claim 11 with an early mouse embryo to produce a gene targeted embryonic construct, and
  - b) introducing said gene targeted embryonic construct into a female host mouse, wherein said gene targeted embryonic construct is allowed to mature into a chimeric live whole mouse, said whole mouse thereby having a genome that includes said targeted gene mutation.

- 15. (Withdrawn) A method of making homozygous gene targeted mice, said method comprising cross-breeding male and female mice obtained by the method of claim 14 to produce offspring mice, and selecting offspring mice from said cross-breeding that are homozygous for said targeted gene mutation.
- 16. (Withdrawn) A gene targeting vector comprising a yeast replication element, a yeast selectable marker, a bacterial origin of replication, optionally a bacterial selectable marker, optionally a mammalian negative selection marker, and a genomic clone insert containing a bacterial/mammalian positive selection marker inserted therein.
- 17. (Withdrawn) The gene targeting vector of claim 16 wherein said gene targeting vector comprises a mammalian negative selection marker.
- 18. (Withdrawn) The gene targeting vector of claim 16 further comprising at least 1 Cos site.
- 19. (Withdrawn) The gene targeting vector of claim 16 further comprising a multiple cloning site, and wherein said genomic clone insert is present within said multiple cloning site.
- 20. (Withdrawn) The gene targeting vector of claim 16 further comprising loxP or FRT sites flanking said mammalian positive selection marker.